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DEPARTMENT FOR INR/R/MR, EAP/RSP/TC, EAP/PA, EAP/PD - ROBERT PALLADINO DEPARTMENT PASS AIT/WASHINGTON

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TAGS: OPRC KMDR KPAO TW

SUBJECT: MEDIA REACTION: CROSS-STRAIT RELATIONS

- 11. Summary: President Chen Shui-bian's key moves in an attempt to quell the strong criticism against him within the DPP were the spotlight of the Taipei dailies May 7-9. All the major Taiwan newspapers reported in their front pages May 9 Chen's exclusive and live interview with the Sanlih TV channel Sunday evening, in which Chen said he felt that the ongoing "China fever" signals that Beijing has already started interfering with Taiwan's upcoming National Assembly elections and constitutional reform efforts. The pro-independence "Liberty Times," Taiwan's biggest daily, ran a banner headline on its front page that read: "China instructed [PFP Chairman James] Soong to oppose the inclusion of the referendum [on people's rights to amend the constitution] into the Constitution." The sub-headline added: "President Chen pointed out that [China's Taiwan Affairs Office Director] Chen Yunlin went to the United States and met with Soong [earlier this year]; Chen also placed pressure on the U.S. authorities. Soong denied there was such a meeting." The front-page headline of the pro-unification "United Daily News" also said: "Bian: Soong opposed to including the referendum [on people's rights with regard to constitutional amendments] into the Constitution in exchange for [Beijing's invitation] to visit China." A page-two news story in the "Liberty Times" also quoted Chen as saying that "the move to include the referendum [on people's rights with regard to constitutional amendments] into the Constitutional amendments] into the Constitutional amendments] into the Constitution is a de facto move to institute the Constitution."
- 12. Several editorials and commentaries discussed U.S. President George W. Bush's telephone call to his Chinese counterpart Hu Jintao last Thursday and the United States' role in cross-Strait relations. A "China Times" commentary by its News Editor Chang Li said Bush's call on Beijing to reach out to Taiwan was aimed at reminding all the parties involved not to forget the presence of the United States in the cross-Strait interaction. A separate "China Times" commentary also said Bush has been playing a key role in the recent development of cross-Strait relations. An op-ed article by a political science professor printed in the "United Daily News" said the United States is promoting a "peace but no unification with China" tactic through James Soong's China visit. But this may bring more problems for Washington. The editorials of limited-circulation, pro-independence English-language "Taipei Times" and "Taiwan News" also noted that Bush's urging of Hu to reach out to Chen showed that Chen's recent moderate approach to dealing with domestic and cross-Strait affairs has secured renewed support from Washington.
- 13. In terms of cross-Strait relations, an editorial of the "Liberty Times" called on the Taiwan government to remain alert to China's threat despite the visits by Lien Chan and James Soong to China. A "United Daily News" editorial, on the other hand, urged the Taiwan government to accept free interpretations of one China by the two sides across the Strait in order to create a new cross-Strait situation. End summary.
- A) "Bush Speaks out, and Both Sides of the Taiwan Strait Shakes Hands?"

News Editor Chang Li commented in the "United Notes" column of the pro-unification "United Daily News" [circulation: 600,000] (5/7):

"When Taiwan's opposition leaders visited China successively, U.S. President George W. Bush called his Chinese counterpart Hu Jintao via the hotline to express his hope that Beijing would reach out to the Taiwan government proactively. The Chen Shui-bian administration also immediately articulated its gratitude to [Washington for Bush's call]. Right at that moment, [it seemed as if] all the related parties in cross-Strait relations have all stepped onto the

stage. Washington's move to actively ask Beijing to extend an olive branch to Taiwan was aimed at reminding all the parties involved not to forget the presence of the United States in the cross-Strait relations.

"For Washington, the recent development of cross-Strait relations seems to have gone beyond expectations. Just as the State Department said recently that 'the current development of cross-Strait relations is no longer in the United States' control.' [AIT Director] Douglas Paal's call on [KMT Chairman] Lien Chan before and after his China trips indicated the U.S. desire to control and lead the [cross-Strait] situation.

"Lien's China trip has not only enhanced his reputation and that of the KMT but has in the meantime, trampled on President Chen Shui-bian's ruling authority. What the United States dreads is that the Chen administration will not be able to stop the strong pressure of [Taiwan's public view] and as a result, will be dragged by or suddenly tilt toward China during the interaction across the Taiwan Strait. Should that happen, the United States will totally lose its control and leadership of cross-Strait relations.

"The United States attaches great importance to the enormous benefits in the Chinese market. But on the other hand, it is concerned that the `rise of China' will threaten United States leadership and its strategic position in the international community. Taiwan will be a very useful bargaining chip [for Washington] to strike a balance between the two ends. Bush's request that Hu contact the Taiwan government is, to a certain extent, speaking from the role of an international arbiter by asserting that only official contact is effective. Such a move, which was tantamount to letting the Taiwan government throw the ball of pressure back to Beijing, was also an attempt to help the Chen Shui-bian government head off danger.

"Both Lien and [PFP Chairman] James Soong represent Taiwan's opposition powers, and they are free to do anything they plan to because they don't need to shoulder the pressure of ruling the government. As a result, they will not listen to everything Washington says, and the United States can therefore have only limited influence on them. Bush's call [to Hu], on the one hand, can test Beijing's real intentions in interacting with Taiwan's opposition parties. On the other hand, it could prevent the situation from deviating too much from its current track. That way the United States have the opportunity to exert its influence again. While the Bush administration held the hand of the Taiwan government, it was also reminding the Taiwan people not to forget the presence of the Taiwan government and of course the U.S. big brother.

"Even though Bush's hotline talk [with Hu] has additionally released some of the pressure the Chen government faces now, don't forget: the United States is only concerned about whether cross-Strait relations are under its control. Questions like whether pandas can come to Taiwan, whether Taiwan's agricultural products can be exported to China and whether Chinese tourists can visit Taiwan are simply technical issues of the administrative levels. Realization of these questions do not need to wait until Hu reaches out to Chen."

B) "The Problem Does Not Lie in Chen"

Veteran journalist and Political News Section Director Wu Tien-jung commented in the "My Views" column of the centrist, pro-status quo "China Times" [circulation: 600,000] (5/8):

". For a long time, the DPP and independence supporters in Taiwan have tended to treat the Washington-Beijing-Taipei ties as a zero-sum game. As a result, Taiwan thrills when Washington-Beijing relations deteriorate and becomes heavy-hearted and worried when Washington-Beijing ties improve. The independence supporters find it hard to forgive President Chen because when Washington renewed its defense treaty with Tokyo earlier this year, they clearly included Taiwan into the treaty. Those independence activists believe Chen has, in the face of such a favorable situation for Taiwan, completely wasted the goodwill gesture of the international community for no good reason because he has tilted toward Beijing, following Lien and Soong.

"But in reality, such an interpretation may not be able to fit into the current international situation. U.S. President George W. Bush is generally regarded as a U.S. president that is most friendly with Taiwan, and his Cabinet has the most officials that are friendly with Taiwan. But in 2003, Bush publicly criticized that Chen's behavior might change the status quo of the Taiwan Strait and he has constantly sent special envoys to Taiwan demanding that Taiwan not cross Washington's red line. Bush has also played a key role in the recent interaction across the Taiwan Strait.

"For Washington, even though it maintains a competitive relationship with China strategically, it does not mean both sides have to resort to arms, let alone go to war because of Taiwan. The DPP needs to adjust itself and understand that the Washington-Beijing-Taipei ties do not necessarily have to be a zero-sum game. Washington may not necessarily feel unhappy when cross-Strait relations improve. In reality, if there has been any improvement in Taipei-Washington relations lately, it was mainly because of the goodwill gestures shown by Chen towards the resumption of cross-Strait dialogue."

C) "Let Soong Build the Bridge; Is It a Script Or a Guarantee by the Americans" $\,$

Professor Shih Chih-yu of Department of Political Science, National Taiwan University, wrote in the prounification "United Daily News" [circulation: 600,000] (5/9):

". Therefore, one China under the Constitution means peace but no unification [with China]. This fits perfectly with what Washington has in mind. The question is: is this a line or a quarantee?

"Washington's scheme is to recognize the legitimacy of Chen Shui-bian's rule in exchange for his giving up of de jure Taiwan independence and then promote cross-Strait direct links in exchange for Beijing's contentment with the status quo. Washington's asking James Soong to do the job can help Chen Shui-bian evade independence advocates. Co-incidentally, Lien Chan's trip solidified the basis for promoting peace but no unification. Washington thus collaborated with Lien and reiterated support for him on the eve of the Lien-Hu meeting. It collaborated with James Soong and deceptively denied any involvement before his bridge-building trip. It collaborated with Chen Shui-bian by suggesting that Hu Jintao reach out to Chen when he reacted positively to Lien and Soong's visits to the mainland. Washington won cooperation when it wanted Chen Shui-bian to talk only about peace but no Taiwan independence and Lien and Soong to talk only about peace but no unification. Opinion polls also showed support.

- ". Washington is capable of facilitating the unstable equilibrium of peace but no unification. But how is it going to deal with the hate-turned love between the KMT and the Chinese Communist Party, Chen Shui-bian's limited ability to constrain the Taiwan independence sentiment only for a while, mainland people's misinterpretation that unification is around the corner, and clashes between pro-unification and pro-independence crowds? Even if James Soong has good private relations with all parties involved, all of them can break their word at any time. By that time Washington will know what out of control means."
- D) "Does the US Get China's Game?"

The pro-independence, English-language "Taipei Times" [circulation: 30,000] editorialized (5/7):

"The Bush administration has been sending contradictory messages to China in the last two years, damaging US strategic interests in East Asia. So Thursday's phone call between US President George W. Bush and his Chinese counterpart Hu Jintao comes as a relief. .

"Such sound advice [by Bush] comes as a breath of fresh air after the contradictory mess that has been US policy. We have commented before on how the US has concentrated on containing Chen and the Democratic Progressive Party (DPP) government and boosting the panblues - to the extent of the State Department's lastminute intervention in last December's legislative election campaign against the DPP - even though the panblues, as Greater China nationalists, have strategic interests exactly the opposite of the US. The passage of Beijing's "Anti-Secession" Law seems to have finally injected a little common sense into policy in Washington.

"Certainly it is in the interests of the US to see tensions in the Taiwan Strait reduced by government-togovernment talks, just as it is also vital to US interests that unification never takes place. The best possible outcome therefore would be a Taiwan permanently in green hands, and yet at least on `jaw, jaw' rather than `war, war' terms with China.

"But how is this to come about? First, we would remind our American friends that while Taiwan is ready to sell wax apples to China and pet the pandas if they come, the `reunification, independence or status quo' surveys show no significant movement as a result of the opposition leaders' visits. Neither the overwhelming preference for the status quo, nor the poor support for unification either now or in the future, have significantly changed.

"And secondly, we would also remind them that the arms budget has still not been passed and that this is the fault specifically of the KMT. We said a couple of weeks ago that it was time the US applied pressure to the KMT leadership - visa and entry denials, and IRS audits of US business interests of KMT leading lights would be the weapons of choice. If the tactic to isolate Chen appears to be gaining too much ground, nothing would throw a spanner in the works as much as the KMT backing passage of the weapons procurement bill - and a little arm-twisting might bring that about."

E) "Reinforcing Taiwan's Self-Confidence"

The pro-independence, English-language "Taiwan News" [circulation 20,000] noted in its editorial (5/9):

". Among all leaders in Taiwan, President Chen Shuibian stands at a critical historical crossroad in terms of the challenge of leading the country to bridge domestic divisions and the cross-strait difference, while at the same time safeguarding Taiwan's sovereignty, dignity and the democratic achievements that the 23 million people have earned in the past decade.

"The president's recent moderate approach to deal with domestic and cross-strait affairs has secured renewed support from Washington that was manifested last week by the advice given by United States President George 1W. Bush to Hu in a `hot-line' telephone conversation to `continue working on ways to reach out to President Chen as the duly elected leader of Taiwan.'

"Despite Beijing's transparent campaign to marginalize Chen and the DPP government, Bush's initiative, as well as the growing reluctance of the European Community to ease a 16-year old arms embargo on the PRC, should help reassure Taiwan's citizens that the international community has seen through this ploy."

F) "Don't Lose a Sense of Alertness Because of an Illusion of Peace"

An editorial of the pro-independence "Liberty Times" [circulation: 800,000] noted (5/9):

- ". Facing the fact that the opposition parties hold the majority of seats in the Legislative Yuan, the government, for the sake of reconciliation between ruling and opposition parties and cross-Strait stability, made good wishes for Lien and Soong's visits to China and even asked them to be the pioneers. This may be explained as an expedient measure. However, we have to give a serious reminder here that expedient measures can never replace the fundamentals. If the government loses its sense of alertness while placing hopes on Lien and Soong, the special legislation for military procurements may not be adopted in the end. And Lien and Soong may form partnerships with Beijing. Then there will be immediate danger to Taiwan's sovereignty and security. If so, Taiwan will lose everything. One does not need to ask to know who will be blamed for this in the history."
- G) "Jointly Creating a New Cross-Strait Situation on the Free Interpretations of One China Basis"

The pro-unification "United Daily News" [circulation: 600,000] said in an editorial (5/9):

". The fact that Lien Chan's visit to the mainland has attracted so much attention by the international media and has been blessed by [countries] including the United States explains precisely why the `free interpretations of one China' framework, which implies maintaining the status quo, is most likely to win stable international support in dealing with cross-Strait relations.

". The `free interpretations of one China' [framework]

itself is, of course, not the goal but a legal framework, which can facilitate reciprocal negotiations between two incompatible regimes. The two Germanys agreed to disagree over the goal of unification before they unified. The equilibrium point for the two sides across the Strait lies in `free' interpretations or `no' interpretation of one China. Based on this, the two sides can build military confidence, seek mutual economic and trade benefits, and provide the greatest advantage Taiwan can enjoy in the mainland. In this way, cross-Strait peace can be ensured. This is in the common interest of Asia-Pacific nations. Naturally, major countries including the United States, are happy to see this development.

". We hope that Lien's visit to the mainland will bring an enlightening effect. Following the same direction, from the unofficial Lien Chan, the semi-official James Soong, to the official Chen Shui-bian, we will be heading for a new, peaceful, win-win cross-Strait situation."

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